

TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman
Lynn Greer, Director
Melvin Malone, Director



460 James Robertson Parkway
Nashville, Tennessee 37243-0505

July 30, 2001

Ms. Anne Lynch
Regulatory Manager
1-800-Reconex, Inc.
2500 Industrial Avenue
Hubbard, Oregon 97032

RE: 1-800-Reconex, Inc. (Docket No. 01-00337)

Dear Ms. Lynch:

The Tennessee Regulatory Authority respectfully requests that the following information be provided to the Authority to complete the review of the application of 1-800-Reconex, Inc. (hereafter "RECONEX" or "Applicant") for a certificate to provide competitive local telecommunications services within the State of Tennessee pursuant to TCA §65-4-201:

Financial Requirements (3rd Request):

1. (3rd Request) Why does the Company's submitted 2001 financial statements reflect a negative balance for the cash and cash equivalents account? Please submit your answer considering the ramification of generally accepted accounting principles and the proper classification of assets and liabilities on the balance sheet.
2. (3rd Request) Provide substantive evidence that will afford the Company the opportunity to operate as a "Going Concern" in the State of Tennessee.
3. (3rd Request) Provide substantive evidence that the Company will operate with a positive net income while obtaining a positive ending cash and cash equivalents balance and stockholders' equity. Additionally, does the current financial information or future financial information contain any amounts relating ISP terminating traffic?

If you have any questions or comments regarding this Data Request, please contact Darrell Whitis at (615) 741-2904 (ext. 132). Please submit the requested information by August 13, 2001.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Waddell", is written over a horizontal line.

David Waddell
Executive Secretary

C: Docket File